

Annex to
Decision of the Prime Minister
of the Republic of Armenia
No 1508-L

METHODICAL INSTRUCTION

FOR ELABORATION, SUBMISSION OF STRATEGY DOCUMENTS HAVING AN IMPACT
ON STATE REVENUES AND EXPENDITURES AND CONDUCT OF OVERSIGHT

1. GENERAL PROVISIONS

1. The aim of this Methodical Instruction (hereinafter referred to as “the Instruction”) shall be to regulate the process of elaboration, submission of strategy documents implying a direct impact on state revenues and expenditures and conduct of oversight. This Instruction shall apply only to the strategy documents of the Republic of Armenia which have or imply a direct impact on state revenues and expenditures.
2. The following main concepts shall be used in the Instruction:
 - (1) comprehensive (or national) strategy document — shall mean a long-term strategy document covering two or more main functional areas;
 - (2) medium-level (or sectoral) strategy document — shall mean a medium-term or long-term strategy document related to a certain functional area or field;
 - (3) budget plan strategy — shall mean a component part of a budget plan which lays down the objective of the budget plan and describes the path chosen to attain the objective;

- (4) Government Programme — shall mean the programme submitted by the Prime Minister of the Republic of Armenia to the National Assembly of the Republic of Armenia, pursuant to Article 151 of the Constitution of the Republic of Armenia;
- (5) medium-term expenditure plan (MTEP) — shall mean a plan being developed and approved in accordance with points 2.2-2.10 of Article 21 of the Law of the Republic of Armenia “On the budgetary system of the Republic of Armenia”;
- (6) budget plan — shall mean a logical grouping of measures for implementation of the policy aimed at attaining any objective (directly defined outcome) (hereinafter referred to as “measures of plan”), through appropriate funding, in accordance with points 2, 9, 17 and 18 of Article 1.2 of the Law of the Republic of Armenia “On the budgetary system of the Republic of Armenia”;
- (7) measure of the budget plan — shall mean the interventions by the State for the purpose of implementing the state policy within the scope of the plan (provision of services, issuance of money transfers, etc.) which are targeted at implementation of the objective defined for the plan concerned, in accordance with points 2, 9, 17 and 18 of Article 1.2 of the Law of the Republic of Armenia “On the budgetary system of the Republic of Armenia”;
- (8) strategic objective — shall mean expected outcome(s) after the tasks set under the strategy are completed;
- (9) outcome — shall mean social, economic, cultural, environmental, human rights-related, security-related or other changes (impacts), which the State seeks to achieve for the public:

- a. final outcome — shall reflect general outcomes at nationwide, sector or field level;
 - b. interim outcome — shall reflect outcomes at the level of sub-sector or specific phenomenon which contributes to achieve the specific final outcome;
 - c. direct outcome — shall reflect the immediate outcomes conditioned by implementation of measures within the scope of the specific budget plan, the implementation of which helps to achieve the specific interim or final outcome;
- (10) study of expenditures — shall mean an analysis conducted on the basis of actual data which substantiates the expediency for execution of the state expenditures set forth under the strategy document in order to achieve the outcomes, predetermined under the strategy document, in a more appropriate and effective way.

2. HIERARCHY OF STRATEGY DOCUMENTS AND THE MAIN REQUIREMENTS FOR THE STRATEGY DOCUMENTS

- 3. In terms of the scopes of coverage, tenor and the scopes of impact on state expenditures, strategy documents shall be classified into the following 3 main groups — comprehensive (or national) strategy documents, medium-level (or sectoral) strategy documents and budget plan strategies.
- 4. Strategy documents need to contain a description of the paths, actions or measures for attaining the objectives specified in the document, substantiating the clear connection of those actions with the envisaged outcomes. They may be attached to the document in the form of an annex, by clearly indicating at which strategic objective the measure or action is targeted, or they may be described

within the body of the document, along with the rationale for every strategic objective and expected outcome.

5. Comprehensive (or national) strategy documents:
 - (1) coverage — comprehensive (or national) strategy documents (hereinafter referred to as “the CSD”) are long-term nationwide (cross-sectoral) strategies. The latter shall cover all or almost all functional areas;
 - (2) tenor — as a rule, the CSD needs to cover a period of 5 or more years;
 - (3) grounds for elaboration — the elaboration and revision of the CSD shall be initiated upon decisions of the Government and/or Prime Minister of the Republic of Armenia. They immediately arise from the Constitution of the Republic of Armenia, particularly Article 86, the laws of the Republic of Armenia, the Programme of the Government of the Republic of Armenia and the international commitments of the Republic of Armenia;
 - (4) expected outcomes — the CSD shall lay down the strategic objectives for long-term development of the country. The strategic objectives are laid down at least at the level of the sector, in the form of the final long-term outcomes (impacts);
 - (5) elaborating and approving body — the CSDs shall be elaborated by the inter-agency commissions established upon decision of the Government (or Prime Minister) for that purpose and shall be approved by the Government of the Republic of Armenia;
 - (6) implementing body — as a rule, the CSDs shall be implemented by more than one public administration bodies, the activities for implementation of the strategies shall be co-ordinated by the Deputy Prime Minister, and methodical guidance, summarisation of the results of monitoring of the progress of implementation thereof and general oversight shall be carried

out by the Department for Programmes Expertise of the Office of the Prime Minister of the Republic of Armenia, unless otherwise provided for by decisions of the Government and/or Prime Minister of the Republic of Armenia envisaging elaboration or revision of the CSD;

- (7) reporting, monitoring and assessment of progress — every year (starting from the second year of the period of covering the strategy) by 15 April, the responsible public administration bodies shall submit to the Office of the Prime Minister of the Republic of Armenia a report on the progress of the strategy, the requirements for which are defined under the strategy, and where necessary — also upon decision of the Prime Minister of the Republic of Armenia;
- (8) impact on state expenditures — in terms of impact on state expenditures, as a rule, CSDs may lead to increase or decrease of the overall level of state expenditures in the long run. As a rule, under the CSD, starting from the 2nd year, the limited quantities of the indicator of state expenditures need to be defined in the form of percentages against the GDP and/or real values thereof and/or specific weights in the State Budget, mainly in accordance with certain enlarged functional areas. In the CSD, the state expenditure assessments are presented by taking as a basis the studies on expenditures conducted in the functional area concerned, the international comparisons, as well as the long-term macro-fiscal and demographic forecasts. The main objective of expenditure assessments is to define the long-term cross-sectoral proportions, as well as the proportions of current/capital expenditures which will mostly help to achieve the expected outcomes of the CSD. The state expenditure assessments conducted for elaborating the CSD need to serve as a ground for the elaboration and revision of future medium-level strategies, the MTEP and budget plans for all public administration bodies in the future. The state expenditure assessments in the CSD may also be published generically;

- (9) As a rule, CSDs may be revised no earlier than once every three years.
6. Medium-level (or sectoral) strategy documents:
- (1) coverage — medium-level (or sectoral) strategy documents (hereinafter referred to as “the MLSD”) are mid-term or long-term sectoral strategies. These strategies cover one specific sector or field (i.e. the sector of social protection, the culture sector, the field of territorial development, etc.);
 - (2) tenor — as a rule, the MLSD needs to cover a period of 5 or more years;
 - (3) grounds for elaboration — the initiative for elaboration of the MLSD shall be presented by the Secretary of the Security Council of the Republic of Armenia, relevant sectoral ministers, or the heads of bodies subordinate to the government or to the Prime Minister. By elaborating or revising the MLSD, it is necessary to substantiate the necessity of elaboration or revision of the MLSD, particularly the legal, economic, social and/or other grounds, the brief description of the current situation, the expected outcomes and the initial assessments of the impact on state expenditures, as well as the resources required for elaboration of the MLSD and the time limits for elaboration. The MLSD needs to directly derive from comprehensive strategy documents, including the Government Programme, sectoral priorities, as well as the grounds defined for the CSD under this Instruction, where, at the moment of adopting a decision on elaboration of the MLSD, none of the CSDs covers the sector or field concerned;
 - (4) expected outcomes — the strategic objectives of the MLSD are set at least at the level of sub-sector or the specific phenomenon, in the form of interim and direct outcomes. Subordination of the expected outcomes must definitely be presented under the MLSDs, that is to say, which final outcome(s) the interim outcomes will mainly contribute to. In their turn, every interim outcome also needs to be presented in the form of more than

one direct outcome contributing to that outcome. If no interim outcome provides for more than one direct outcome under the MLSA, it shall be considered that the interim outcome concerned also represents a direct outcome. It should be noted that, as a rule, each of the direct outcomes is the outcome of a specific measure of one budget plan;

- (5) elaborating and approving body — the MLSAs shall be elaborated by the relevant responsible sectoral public administration bodies and approved by the Government of the Republic of Armenia;
- (6) implementing body — as a rule, the MLSA shall be implemented by the public administration body elaborating and submitting the MLSA and other co-implementing state bodies, the activities for implementation of those strategies shall be co-ordinated by the Deputy Prime Minister, and the general oversight over the implementation of the strategies and the summarisation of the results of the monitoring shall be conducted by the Department for Programme Expertise of the Office of the Prime Minister of the Republic of Armenia;
- (7) reporting, monitoring and assessment of progress — Every year (starting from the second year of the period of covering the strategy) by 31 March, the responsible public administration bodies shall submit to the Office of the Prime Minister of the Republic of Armenia a progress report for the strategy, and shall also publish it on the official website of the public administration body;
- (8) impact on state expenditures — in terms of the impact on state expenditures, as a rule, the MLSAs may lead to inter-programme redistributions within the general and sectoral limits of the MTEP, including by designing new budget plans and/or terminating budget plans in action. Medium-level strategies require conduct of studies on state expenditures

with respect to direct outcomes. As a rule, MLSDs may be revised no earlier than once every two years;

- (9) the Programme for Development of Education may be viewed as an example of a medium-level strategy document.

7. Budget plan strategies:

- (1) coverage — the budget plan strategy (BPS) serves as a component part of the budget plan which lays down the objective of the budget plan and describes the path chosen to attain that objective. In the case of every specific programme, the budget plan shall cover the sub-sectors under the jurisdiction of the specific public administration body that is responsible for implementation of the programme;
- (2) tenor — as a rule, the BPS needs to cover a period of at least 3 years;
- (3) grounds for elaboration — the BPS shall be elaborated and revised upon the initiative of the public administration body implementing the relevant budget plan, upon consent of the Ministry of Finance of the Republic of Armenia. Every budget plan must definitely contain the BPS component; thus, in case of new budget plans, the BPS shall be elaborated simultaneously with the planning of other components of the plan. Revision of the BPS shall imply revision of the objective of the budget plan or the way for attaining the objective; thus, in case of such an initiative, the necessity of revision of the BPS needs to be substantiated through a relevant initiative, in particular, the grounds for the BPS, the brief description of the current situation, the expected outcomes and the initial assessments of the impact on state expenditures, as well as the resources and the time limits required for revision of the BPS. The BPSs need to directly derive from the relevant MLSDs, as well as the grounds defined for CSDs or MLSDs, where, at the moment of adoption of the decision on

elaboration/revision of the BPS, none of the CSDs or MLSDs covers the objective set forth, in the form of direct outcome. While elaborating or revising the BPSs, it shall be necessary to also take into consideration the sectoral or programme restrictions envisaged for the corresponding years under the MTEP document in action at that moment;

- (4) expected outcomes — one strategic objective needs to be set under the BPS for every programme, in the form of a direct outcome. The BPS must definitely present which interim outcome, or in case of absence of an interim outcome, which final outcome the envisaged direct outcome will mainly contribute to. It is necessary to take into consideration the fact that there needs to be a possibility to directly implement the objective of the BPS (expected direct outcome) through implementation of the relevant programme measures in the budget plan;
- (5) elaborating and approving body — the BPSs shall be elaborated and approved by the responsible public administration bodies of the relevant sectors, upon consent of the Ministry of Finance of the Republic of Armenia. The approved BPSs need to be registered by the Ministry of Finance of the Republic of Armenia;
- (6) implementing body — as a rule, those strategies shall be implemented by the elaborating and approving public administration body, within the scope of implementation of the MTEP and budget plan, and the Ministry of Finance of the Republic of Armenia shall co-ordinate the activities for elaboration of those strategies, the methodical guidance and general oversight over the implementation of the strategies;
- (7) reporting, monitoring and assessment of progress — reporting on, monitoring and assessment of progress of the requirements defined under the BPSs shall be carried out within the scope of the processes established

for the MTEP and annual budget and in accordance with them, under the legislation on budget of the Republic of Armenia;

- (8) impact on state expenditures — in terms of the impact on state expenditures, as a rule, the BPSs may lead to inter-programme redistributions within the programme limits of the MTEP, including by designing new measures of plans and/or terminating measures of plans in action. These strategies require conduct of studies on state expenditures at the level of the measures of plan.

3. GENERAL CONTENT REQUIREMENTS FOR STRATEGY DOCUMENTS

8. The content requirements presented below shall apply to strategy documents at all levels. The content of the Government Programme of the Republic of Armenia is generally formulated following political processes, and the application of the mentioned requirements for those processes is exclusively discretionary.
9. Setting the strategic objectives:
 - (1) strategic objectives need to be aimed at addressing the key strategic issues and need to describe the outcomes which are expected through implementation of the strategy and which the State or government would like to achieve for the public. Moreover, the expected outcomes may be viewed as improvement of the living conditions of the society/public or a positive change contributing to that, and they need to be presented as a change of economy, society, culture, the environment, human rights, security or other change that the State is trying to have an impact on throughout its existence;
 - (2) setting strategic objectives (the hierarchy thereof) needs to serve as a precondition for the elaboration of budget plans and measures, which will ultimately contribute to implementation of those objectives;

- (3) strategic objectives may be set at different levels, thus the hierarchy thereof need to reflect the hierarchy of the relevant strategy documents as much as possible. The objectives set under strategic documents at a lower level need to directly derive from the objectives set under relevant strategies at a higher level and clarify the logic for implementation thereof;
- (4) within the meaning of this Instruction, strategic objectives need to have final, interim and direct outcomes:
 - a. final outcomes are the highest level of hierarchy of strategic objectives and usually reflect generic outcomes at nationwide, sector or field levels. They are, in essence, economic, social or other impacts at the general or sector level (i.e. reduction of the level of poverty, increase of the pace of economic growth, etc.). The final outcomes may focus on the issues of general improvements, targeted effectiveness, risk reduction;
 - b. interim outcomes are the medium level of the hierarchy of strategic objectives and usually reflect outcomes (impacts) at the sub-sector level or the level of specific phenomenon. Interim outcomes may reflect changes of behaviour and lifestyle, risk reduction, etc. As a rule, interim outcomes directly derive from the relevant final outcomes and contribute to the implementation thereof;
 - c. direct outcomes are the lowest level of the hierarchy of strategic objectives and, as a rule, they reflect short-term (rapid) impacts at a lower level (i.e. at the level of beneficiaries, etc.). Direct outcomes may reflect a level of completion, gained benefits, change of motives, reducing lines, etc. As a rule, direct outcomes directly derive from the relevant interim outcomes and directly impact the implementation thereof;

- (5) the direct connection with generic strategic objectives (especially final outcomes) may turn budget plans into extremely broad, not targeted plans. In this sense, the objectives of budget plans need to be set at the level of direct outcomes. They need to reflect the direct (short-term) outcomes, achievement whereof shall be conditioned by the implementation of measures within the scope of the plan and which, in their turn, shall contribute to achieve the relevant interim or final outcomes;
- (6) at any level, strategic objectives (expected outcomes) need to be set with result-oriented indicators that are as clear and measurable as possible. It should be possible to present them in figures and quantitatively, against a certain benchmark or period so that it will be possible to monitor implementation thereof. In other words, it is impossible to understand and assess the implementation of any objective or the progress with regard to implementation, if the objective is not measurable.
- (7) the objective and the period of implementation thereof need to be interconnected. The objective shall be deemed to be interconnected with the period, where it can be reasonably implemented in certain time, and a deadline may be set for implementation of the objective;
- (8) it is necessary to take into consideration that, unlike direct outcomes, sometimes it is difficult to assess the impact of a specific budget plan on the implementation of the relevant final (often also interim) outcomes, as, in addition to measures being carried out within the scope of the budget plan, several other internal and external factors also have an impact on implementation. In this regard, the final (also interim to a lesser extent) outcomes shall not be fully controllable, and even though the government plans the target indicators of the final outcome, follows implementation of the indicators and takes them into consideration in the stage of planning of the succeeding period, certain public administration bodies cannot be responsible for implementation of the relevant final outcomes.

10. Setting result-oriented indicators:

- (1) realistic, qualitative and quantitative result-oriented indicators need to be set for strategic objectives, and these indicators will serve as a ground for measurement, progress and assessment of impact of the programme objectives in the future;
- (2) the main result-oriented indicators are the main characteristics, through which implementation of the objectives are assessed and measured. Result-oriented indicators describe the specific level of outcomes that need to be ensured in the reporting period. Result-oriented indicators may be expressed in absolute figures, percentages or ratio;
- (3) while setting the result-oriented indicators in strategy documents, relevant target indicators of outcomes, as well as the baseline indicators of outcomes must be set with respect to each of the indicators. Baseline indicators describe the actual level of the relevant indicator for which the target indicators have been set, and, for which the progress with respect to the relevant outcome will also be assessed in the future. Target indicators show the target (desired) level of the relevant indicator which the State seeks to achieve through corresponding interventions. Moreover, it should be noted that, while setting target indicators, they must mandatorily be connected to the specific time limits or period, that is to say, the time limits provided for achieving those indicators need to be specific. In case of long-term strategies, when there are no target indicators set for the specific year, the nearest target indicators shall be accepted as a basis for assessment of the programme (outcomes);
- (4) the indicators of the direct outcomes of a programme need to serve as a ground for setting target performance indicators with respect to the measures of the programme, as it is through those interventions that public

administration bodies try to implement the relevant objectives and the final outcomes;

- (5) a result-oriented indicator for measurement of any objective needs to meet the following criteria in order to be considered as quality indicator that is useful:
- a. while setting indicators, it is necessary to avoid generic, indefinite and vague expressions (i.e. “with high quality”, “during the year”, “at a proper level” and other expressions);
 - b. an indicator needs to be formulated as clearly and simply as possible, avoiding terms that are incomprehensible for people with medium level of awareness;
 - c. an indicator may be qualitative or quantitative, moreover, a quantitative indicator needs to be measurable, while a qualitative indicator — one that can be assessed;
 - d. information about an indicator needs to be essential for gathering and valuable for use;
 - e. an indicator needs to be logically connected to the relevant objectives or outcomes and describe them, stressing the outcomes that determine whether the strategic objectives/targets of a programme or a higher level have been achieved;
 - f. an indicator needs to be comparable, that is to say, it should be possible to study the same indicator in time in order to make comparisons;
 - g. an indicator needs to be applicable from the perspective of management;

- h. information about an indicator needs to be precise, registered and available;
 - i. there needs to be proper reporting on the indicator, even if it is not a good one;
 - j. an indicator needs to be linked to financing as much as possible — that is to say, the indicators that directly or indirectly lead to or will lead to financing from any sources permissible by law;
- (6) in order to make it possible to apply the result-oriented indicators established by strategies for budgeting objectives, it is required that those indicators are clearly described and do not call for alternative interpretations. In this regard, it is important that the main result-oriented indicators defined in the strategies are described in the annexes attached thereto;
- (7) a sample of the format for description of result-oriented indicators is presented below:

Name of indicator	Name of result-oriented indicator is presented
Brief description	Brief description of the result-oriented indicator is presented
Objective/importance	What the indicator shows and why it is important are explained
Gathering of information/source	Where the information is obtained from and how it is gathered are described
Method of calculation	How the indicator is calculated is clearly described
Restrictions of information	All restrictions on information related to the indicator are revealed, including the factors that are out of the control of sectoral government agencies
Type of indicator	What the indicator measures is presented (final, interim or direct outcome, or other measurements of performance, including cost-efficiency, targeted effectiveness)
Unit of measurement	Describes the unit of measurement of the indicator (percentage, portion, piece, etc.)
Method of presentation	Describes how the performance evaluation is presented — cumulative or non-cumulative
Reporting cycle	The periodicity of reporting of an indicator is presented — monthly, quarterly or annually

Permissible deviation	Shows how many percentage points of deviation of the actual indicator is considered permissible compared with the target level
Responsibility	Presents the unit that is responsible for achieving an indicator and reporting

- (8) the aforementioned requirements need to concern both the result-oriented indicators describing the strategic objectives, and they may concern the main performance indicators set for measures of the programme implemented to achieve those objectives.

11. Setting priorities:

- (1) in the budgeting stage (MTEP), setting priorities between budget plans/expenditures needs to be interconnected to/to derive from the priorities for the strategic objectives set in the strategies as much as possible;
- (2) the strategies need to define specific supremacies or priorities between strategic objectives and measures. While setting those supremacies, it is necessary to take into consideration the fact that, in the budgeting stage, the latter need to lie at the core of setting supremacies/priorities between budget plans/measures for implementation of those objectives;
- (3) the supremacies set between strategic objectives also need to be directly reflected in the logic of the relevant expenditure assessments (distribution of financial resources). That is to say, within the scope of the strategy, the assessments of expenditures envisaged for more supreme objectives or sectors may imply higher paces of growth;
- (4) the supremacies for sectoral objectives shall be set after discussions with the interested parties (including civil society).

12. Submitting expenditure assessments:

- (1) to ensure that the strategies (the strategic objectives and the result-oriented indicators with respect to the strategies) are realistic, it is necessary for all the strategies to have specific expenditure assessments. The expenditure assessments need to be substantiated and realistic and cover all the objectives and programmes defined under the strategies;
- (2) the expenditure assessments need to cover all the expenditures related to implementation of the strategies (current and capital expenditures), cover the whole period of the strategy and derive from the medium-term and long-term tax-budgetary forecasts as much as possible, as well as be substantiated through the predicted dynamics of the main performance indicators;
- (3) the expenditure assessments related to the strategies need to be defined at the level of not only the whole strategy, but also the objectives and/or strategy programmes/measures to be implemented within the scope of the strategy; afterwards, through budget plans, they need to be transferred to the budgeting system and serve as a ground for defining the allocations of the MTEP and allocations from the budget;
- (4) while compiling the expenditure assessments in the strategies, the trends of the previous years of expenditures with respect to the programme/measure concerned and the performance evaluation, as well as the expenditure assessments and restrictions defined under the MTEP in action also need to be taken into consideration as much as possible;
- (5) the expenditure trends and the expected sources for the resources required for those expenditures need to be presented in the strategies, and the main risks associated with them also need to be presented;
- (6) in case of envisaging expected funds from non-budgetary sources, the risks associated with failure to receive those funds and the actions targeted at reduction of those risks need to be clearly presented.

4. ORGANISING THE PROCESS OF DRAFTING AND SUBMITTING STRATEGY DOCUMENTS

13. Organising the process of drafting and submitting strategy documents within public administration bodies:
- (1) strategy documents (except for CSDs) shall be developed by the relevant sectoral public administration bodies. The CSDs shall be initiated and elaborated by the inter-agency committees, commissions and/or working groups established upon the decision of the Government (or the Prime Minister);
 - (2) within public administration bodies the functions for strategic planning shall be organised and carried out by the subdivisions or personnel of those government agencies responsible for implementation of the functions for strategic planning. The subdivisions or personnel shall:
 - a. initiate, implement or organise the activities for drafting the relevant sectoral MLSDs (sectoral strategy documents) and BPSs and for concurring them with interested government agencies, including the updates in existing documents. While implementing those activities, the mentioned units ensure consonance and connection of the mentioned documents with the strategic objectives and targets set for a sector or government agency under the strategies, laws and international treaties at a higher level that are in action, as well as ensure conformity of the content and structure of those documents with the legislative and methodological requirements set for elaborating and submitting those documents;
 - b. organise and conduct assessments on the impact of strategies. The aim of strategic impact assessments (SIA) is to clarify the extent to which the measures and indicators recommended or defined under a

strategy contribute (effectively) to the implementation of the objectives that lie at the core of the strategy. Public administration bodies need to conduct SIAs on a regular basis, at least in the stages of elaboration, revision thereof and assessment of the outcomes, involving relevant specialised research and analysis institutions from foreign countries in those activities upon necessity;

- c. monitor the course of implementation of relevant sectoral strategies and BPSs, as well as draw up reports on the course of implementation of those documents and regularly submit them to the Office of the Prime Minister of the Republic of Armenia;
 - d. be involved in the process of elaboration of the MTEP of a sector/government agency, mainly with regard to strategic and non-financial issues;
 - e. BPSs shall be approved by public administration bodies, while medium-level (sectoral) strategy documents shall be submitted to the Government of the Republic of Armenia by public administration bodies for approval;
 - f. all strategy documents, regardless of the level, must be put up for mandatory public discussions before they are approved, in accordance with the procedures established by the legislation of the Republic of Armenia for organising and holding public discussions.
14. Along with all the strategies implying impact on state revenues and expenditures, title pages of strategy documents shall be compiled, in which, as a rule, brief information on the name of the strategy document, the elaborating body, the status of the strategy document (new/revised programme), the grounds for elaboration, the assessment of the impact on state expenditures, the period of coverage, the sectors involved, the objectives and the indicators of performance are presented.

15. The state expenditure assessments need to specify the areas and amounts of the impact. In particular, they need to specify the cases that lead to decrease or increase of the overall level of revenues and expenditures, as well as the fact of causing sectoral, sub-sector and programme redistributions.
16. Only the strategy documents which, prior to approval, clearly implied impact on budget revenues and expenditures and were set aside as such, may serve as a ground for adoption of the MTEP and budget-related decisions. All other strategy documents may not lie at the core of the MTEP and budget-related decisions after being adopted. The sample form of the title page of a strategy document is attached.
17. The title page, in addition to other documents prescribed by the legislation of the Republic of Armenia, shall be an integral part of the draft strategy document being placed into circulation.
18. Organising processes linked to strategic planning in the Office of the Prime Minister of the Republic of Armenia:
 - (1) in the Office of the Prime Minister of the Republic of Armenia the functions linked to strategic planning shall be organised and carried out by the Department for Programme Expertise of the Office of the Prime Minister of the Republic of Armenia, unless otherwise provided for by decisions of the Government and/or Prime Minister of the Republic of Armenia that provide for elaboration or revision of the CSD;
 - (2) the Department for Programme Expertise shall carry out the functions for general co-ordination of and methodical guidance for the activities of elaboration of strategy documents and general oversight over the implementation of strategy documents in the Republic of Armenia. In particular, it shall:

- a. conduct a study on CSDs and the medium-level (sectoral) strategy documents received from public administration bodies and organise the discussions on the draft in the Office of the Prime Minister of the Republic of Armenia and submission of the draft to the Government of the Republic of Armenia for approval;
- b. organise the process of functional planning of the Government of the Republic of Armenia (drafting the plan of measures for the activities of the Government of the Republic of Armenia) and conduct oversight over the process;
- c. monitor the course of implementation of the relevant CSDs and sectoral strategies approved by the Government of the Republic of Armenia and draw up reports on the course of implementation of those strategies;
- d. co-ordinate the process of record-registration and inventorisatio n of strategy documents, including by creating and running relevant electronic databases;
- e. conduct oversight over the updates in the strategy documents that are approved by the Government of the Republic of Armenia;
- f. assess the need for involvement of the specialised unit/experts for the purpose of conducting an initial study and more advanced study on the impact assessments received from state bodies.

5. RECORD-REGISTRATION OF STRATEGY DOCUMENTS

19. For the purpose of ensuring modernity of strategy documents and their consonance with strategy documents and the MTEP at a higher level, the responsible sectoral public administration bodies shall carry out record-registration of the strategy documents in their respective sectors every year, after the beginning of the subsequent budget process.

20. Record-registration shall be carried out at least with the following features:
- (1) the list of names of strategy documents, the date of adoption thereof, the adopting body, the number of the act, as well as the level of the strategy document (“comprehensive”, “medium-level”, “budget plan”);
 - (2) the link of the strategy document to the MTEP document in action;
 - (3) the comparison of the level of state expenditures envisaged under a strategy document with the MTEP in action. If possible, the re-evaluated cost of the difference is provided for the period of the MTEP;
 - (4) the availability of reports on a strategy document and the date of the latest report;
 - (5) the progress recorded in the latest report with regard to the main results (“completed”, “course is sufficient”, “may be completed in the upcoming year”, “incomplete” and “may not be completed”). The reasons for failure to complete shall be explained.
21. Based on the results of record-registration, public administration bodies shall draw up the list of names of new strategies subject to revision and adoption. While drawing up the list of names, the results of inventorisation, the requirements in the Programme of the Government of the Republic of Armenia and the MTEP in action shall be accepted as a basis.
22. Based on the results of record-registration, the circumstances for the need for conduct of cost analyses, as well as analysis of the impact of an additional strategy shall be specified.
23. Based on the results of record-registration, public administration bodies shall submit the list of names of the new strategies subject to revision and adoption to the Office of the Prime Minister of the Republic of Armenia prior to the month of May of each year.

FORM

OF THE TITLE PAGE OF A STRATEGY DOCUMENT

Title page of a strategy document

This title page shall contain information about the draft (strategy document for inventorisation) being submitted, pursuant to Annex 1.1 to Instruction _____

1. Name			
2. Elaborating body			
3. New or revision	New <input type="checkbox"/>	Revision <input type="checkbox"/>	
4. Grounds for elaboration			
4.1. New and revision	Brief description		
	Grounds		
	1. Programme of the Government	<input type="checkbox"/>	
	2. CSD	<input type="checkbox"/>	
	3. Plan for long-term reforms	<input type="checkbox"/>	
	4. Other comprehensive strategy document	(indicate the name here)	
	5. Law of the Republic of Armenia	(indicate the name here)	
	6. Decision of the Government of the Republic of Armenia	(indicate the name here)	
	7. International commitment	(indicate the name here)	
	8. Other	(indicate the name here)	
Additional comments			
4.2. Revision (additional information)	Name of document being revised		
	Report on strategy being revised	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	over the last three years has been published		
	Date of publication of the latest report on the document being revised		
	Report on the document being revised shall be submitted along with the strategy document	<input type="checkbox"/>	
5. Period	up to 3 days <input type="checkbox"/>	3-5 years <input type="checkbox"/>	5 or more <input type="checkbox"/>

6. Impact on state expenditures	If Yes, <input type="checkbox"/> then	No ¹	<input type="checkbox"/>
6.1. Impact on the MTEP being elaborated	Yes <input type="checkbox"/>	No	<input type="checkbox"/>
6.2. Overall increase	Yes <input type="checkbox"/>	No	<input type="checkbox"/>
6.3. Impact on sectoral limitations	Yes <input type="checkbox"/>	No	<input type="checkbox"/>
6.4. Impact on budget plans	Yes <input type="checkbox"/>	No	<input type="checkbox"/>
6.4.1. New budget plan	Yes <input type="checkbox"/>	No	<input type="checkbox"/>
6.5. Value-based assessment of the impact	Overall level of state expenditures average annual level for the first 5 years without strategic document in AMD mln	Overall level of state expenditures average annual level for the first 5 years in case of adoption of strategy document in AMD mln	
7. Study of state expenditures	Yes <input type="checkbox"/>	No	<input type="checkbox"/>
7.1. Period of study of expenditures	The last 3 years <input type="checkbox"/>	3 or more years	<input type="checkbox"/>
8. Requires legislative amendment (except those concerning budget plans)	Yes <input type="checkbox"/>	No	<input type="checkbox"/>
8.1. SIAs	Yes <input type="checkbox"/>	No	<input type="checkbox"/>
9. Functional codes of sectors involved or codes of budget plans			
10. Objectives	High-level objectives <input type="checkbox"/>	Medium-level objectives <input type="checkbox"/>	
10.1. High-level objectives	Objective	Indicator of measurement	Annual baseline assessment
			Target
10.2. Medium-level objectives	Serves for high-level implementation <input type="checkbox"/>	High-level objective is not defined <input type="checkbox"/>	
10.2.1. Connection with high-level objectives	High-level objectives	Medium-level objectives	

¹ In case of not having impact on state expenditures, points 6.1-6.5 shall not be filled in.

10.3. Medium-level objectives	Objective	Indicator of measurement	Annual baseline assessment	Target
10.4. Direct outcomes	Objective	Indicator of measurement	Annual baseline assessment	Target
11. Public discussions	Yes <input type="checkbox"/>		No <input type="checkbox"/>	
11.1. Draft is published on the website	Yes <input type="checkbox"/>		No <input type="checkbox"/>	
11.2. Date of publication				
11.3. Discussion is organised	One <input type="checkbox"/>		More than one <input type="checkbox"/>	
11.4. Number of recommendations received	Up to 5 <input type="checkbox"/>		More than 5 <input type="checkbox"/>	
11.5. Content change was made on the basis of recommendations received	Yes <input type="checkbox"/>		No <input type="checkbox"/>	

CHIEF OF STAFF
OF THE PRIME MINISTER
OF THE REPUBLIC OF ARMENIA

A. HARUTYUNYAN

30 December 2021

APPROVED
WITH ELECTRONIC SIGNATURE